## Melissa Noe

ml, left

From:

jsylbert@mac.com

Sent:

Saturday, April 05, 2014 10:48 AM

To:

Subject:

Town of Monterey Police Chief salary

Dear Scott, Wayne, and Muriel,

I hope you're all well. I received the warrant in the mail this week and wanted to follow up on my letter concerning Police Department salaries. I do so in light of the fact that it appears the Board withdrew the Chief's \$5,000 raise while keeping it for the Sergeant.

I haven't had a chance to read the minutes, but if this action was in any way due to my letter of March 10, I'd like, respectfully, to add a few points to those comments.

At the end of my letter I expressed, as I have done so for over 2 year now, my concern that Monterey residents pay too much for employee health insurance premiums. In doing so, total compensation for those employees is inflated.

However, I didn't mean to suggest that Chief Backhaus's salary increase should be cut. It is the health insurance premiums that I continue to submit must be brought into line with current cost realities, and I'd be very sorry if Chief Backhaus was being "punished" somehow, either because of my letter or because the Board feels it is more expedient to hold salaries than to address the health insurance issue.

I say this for several reasons.

First, health insurance costs rise faster than incomes or inflation. This is the reason I proposed bringing premium splits into line. But I never suggested we cut salaries.

Second, when I made my proposal, Chief Backhaus was one of the few employees who understood the advantage of swapping health insurance compensation for salary compensation. While having the town pay 90 percent of the premium is certainly an advantage, an increase in salary is much more important because it impacts an employee's retirement benefit. There is no such benefit from the 90/10 split, and my original offer of shifting the difference from premiums to salaries over three years was a profitable one for employees for precisely this reason. Unfortunately, this view was not shared by other employees, who continue to demand both competitive salaries and a very costly, uncompetitive (to taxpayers) insurance plan.

Third—and for omitting this information from my previous letter I apologize—Chief Backhaus's salary as Chief is actually \$3,250 less than indicated in his line item. This is because in 2011 we resolved the difficulty we were having with animal control by adding that job and its salary to his office. I neglected to take this into account in my previous letter, and consequently inadvertently misrepresented the Chief's salary. In other words, even if the Chief were to receive a \$5,000 raise this year and the salary brought to \$70,000, in fairness, we must subtract the \$3,250 for Animal Control—which we could not put on a separate line item—and consider the salary as \$66,750.

An effective Police Chief salary of \$66,750 is competitive for the position, especially considering Chief Backhaus's years of service.

What is not competitive is the additional \$3,000 in health insurance compensation, which constitutes the difference between a 90/10 and a 75/25 premium split, and I remain opposed to demanding that taxpayers pay 90 percent of any

employee's health insurance premium when taxpayers themselves pay, on average, 25% to 40% for their own insurance. I will continue to query voters on this matter.

But I would not support denying the Chief a competitive salary because the Board has not been able to tackle the sensitive task of bringing the town's health insurance costs into line on behalf of taxpayers. This is the Board's responsibility, and they must face it sooner or later.

I sincerely hope the Board and Finance Committee will reconsider giving Chief Backhaus the \$5,000 raise, which will bring his effective salary to \$66,750. I would gladly support such a motion on the floor of town meeting.

If the budget is very tight, I might also suggest the Board consider amending Article 8, which is a one-time, non-recurring expenditure of \$15,500 for defibrillators, to be taken from Stabilization. This is precisely what Stabilization is for, and doing so would actually lower the tax rate for next year—and help rebuild Excess Levy Capacity—rather than tax residents additional dollars from raise and appropriate. I'm confident the town would support such a motion.

My sincere apologies again go to Chief Backhaus for neglecting to remember he took on the Animal Control Officer job at our request, thus distorting his effective salary as Police Chief.

I hope we can all work together to correct this omission.

Respectfully, Jon

Jonathan Sylbert=